VZCZCXRO5406 OO RUEHBC RUEHCL RUEHKUK RUEHKW RUEHLA RUEHMOS RUEHROV RUEHSR DE RUEHRO #0329 0341443 ZNY CCCCC ZZH O 031443Z FEB 06 FM AMEMBASSY ROME TO RUEHC/SECSTATE WASHDC IMMEDIATE 3403 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUCNIRA/IRAN COLLECTIVE PRIORITY RUEHDE/AMCONSUL DUBAI PRIORITY 0203 RUEHFL/AMCONSUL FLORENCE PRIORITY 0907 RUEHMIL/AMCONSUL MILAN PRIORITY 6369 RUEHNP/AMCONSUL NAPLES PRIORITY 0961 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0414 RUEHBS/USEU BRUSSELS PRIORITY 4325

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E.O. 12958: DECL: 02/02/2016

TAGS: PREL PTER PHUM EUN KNNP IR IT
SUBJECT: IRAN: ITALY STEADY ON REFERRAL, WANTS

CONSULTATIONS

**REF: A. STATE 16171** ¶B. ROME 241 ¶C. 05 ROME 3631

Classified By: Pol M/C David Pearce for reasons 1.4 (b) and (d)

Summary

 $\P1.$  (C) Italy supports the U.S. "100 percent" on the Iranian nuclear issue, including referral to the UN Security Council. MFA officials continue to stress to the Iranians the need to suspend enrichment activities to restore the confidence of the international community. While unhappy at Italy's exclusion from the January 30 "P5 2" talks, the MFA was clearly pleased with the January 30 discussion between U/S Burns and Italian Political Director Giulio Terzi on Iran. End summary.

Italians Stay Tough on Substance

12. (C) PolOff discussed Ref A demarche with MFA Office Director for Nonproliferation Filippo Formica and, separately, MFA Iran Desk Office Stefano De Leo on February Formica stressed that Italy is with us "100 percent, including on UN Security Council referral, and continues to deliver a tough message to Iran. According to Formica, MFA Political Director Giulio Terzi clearly told the Iranian Ambassador in Rome January 20 that Iran must suspend its enrichment activities, including for research purposes. Formica said he had delivered similar messages to senior Iranian diplomats in Rome and Berlin, stressing Iran's need to restore the confidence of the international community. These diplomatic exchanges are in addition to repeated public criticisms made by FM Fini, PM Berlusconi, and other GOI officials (Ref C).

But Still Hung Up on Format

¶3. (C) Formica said PolDir Terzi told U/S Burns during their January 30 meeting in London (a "very positive, useful, extensive" discussion) that Italy must be consulted on the Iranian nuclear issue because of the important issues at stake. Formica and De Leo both argued that Italy's important economic relationship with Iran means it can play a useful role at the negotiating table. Italy is Iran's top trading partner in the EU and is dependent on Iranian oil. Formica added that the issue has entered a new, delicate stage in which Italy needs to be present. We expect Terzi will raise

this issue again during his February 7 breakfast with visiting PDAS for European Affairs Kurt Volker.

## Comment

14. (C) Italy is still bristling over its exclusion from the January 30 "P5 2" meeting in London (Ref B). Nevertheless, Formica's Burns-Terzi read-out suggests that the meeting may have mollified Italian indignation at being excluded from the London meeting. End comment.

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